

UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

*CORRECTED COPY

SERVED: June 21, 2004

New Route Opportunities (U.S.-China)

2004 Cargo Designation and 2004/2005 All-Cargo Frequencies Docket OST-2004-18468

2004 Combination Frequencies, Docket OST-2004-18469

NOTICE

The United States and the People's Republic of China (PRC) initialed, on June 18, 2004, a protocol amending the U.S.-PRC aviation agreement. The amended agreement will greatly expand the opportunities for the air carriers of both countries. These opportunities are increased progressively through 2010. Some of the new U.S. carrier rights can be implemented as early as August 1, 2004. To permit us to begin processing requests to take advantage of these new opportunities as soon as possible, we are by this Notice calling for applications for certain of the newly available rights, as set forth below. We intend to address other rights available under the new agreement by subsequent separate action.

All-Cargo Opportunities

Under the new agreement, the United States may, for services that may begin as of August 1, 2004, designate one additional carrier for all-cargo services between the United States and China. Also, prior to the date on which services could begin under the next possible U.S. all-cargo designation, *i.e.*, March 25, 2006, U.S. carrier all-cargo services may increase by 39 frequencies, with 21 additional all-cargo frequencies available August 1, 2004, and 18 additional all-cargo frequencies available March 25, 2005.

Against this background, by this Notice, we invite U.S. carriers interested in the available August 1, 2004 U.S.-PRC all-cargo designation to file certificate applications in the above-referenced cargoservices docket. The applicants should indicate an approximate date for beginning service, a proposed routing, equipment type, and number of frequencies requested for the proposed services.

*To reflect that applications are due 7 **calendar** days from the service date of this notice rather than 7 days as reflected in the original served notice.

¹ The designation is available for U.S. Route B under the U.S.-PRC agreement, the U.S. all-cargo route. Federal Express Corporation and United Parcel Service Co. are the two U.S. carriers currently designated for Route B.

We also invite carriers currently holding authority to perform scheduled all-cargo service to the PRC to file applications for the newly available 2004 and 2005 all-cargo frequencies, indicating the markets to be served, the number of frequencies sought and the time at which the carrier proposes to begin using them (either now or beginning March 25, 2005), and the aircraft that may be used. Such applications should be filed in the above-referenced cargo-services docket. We remind carriers that only 21 frequencies are immediately available, with an additional 18 frequencies available in Spring 2005. Applicants for the newly available all-cargo designation need not file a separate application for these frequencies. They should, however, clearly specify in their certificate applications the number of frequencies proposed for startup and the number requested, if any, out of the 2005 allotment. In allocating the 39 frequencies, we will weigh the public interest considerations in regards to both the newly designated carrier and the incumbent carriers.

Combination Carrier Opportunities

The new agreement provides for 14 additional frequencies for combination services effective August 1, 2004. Since the agreement does not provide for a new U.S. carrier designation for combination services until March 25, 2005, the only U.S. carriers eligible to use these frequencies at this time are the U.S. carriers currently designated to operate combination services to China, namely—Northwest and United. By this Notice, we invite Northwest and United to file applications for the available frequencies in the above-referenced combination frequencies docket. The carriers should indicate the number of frequencies requested and the markets proposed for the services with the frequencies.

Procedures

All applications should be filed in the new dockets we are establishing here (cargo designation/frequency applicants should file in the cargo docket; carriers seeking combination frequencies should file in the combination docket) and should be filed with the Department of Transportation, Dockets Operations, Room PL-401, 400 Seventh Street, SW, Washington DC 20590.² Applications should be filed no later than 7 calendar days from the service date of this notice; answers thereto should be filed no later than 5 calendar days thereafter; and any replies 2 calendar days after answers. In consideration of the accelerated procedural dates for filing of applications and responsive pleadings, we authorize service of documents by facsimile and by electronic mail. Carriers that are interested in such service, however, should state if they want service by email and should provide interested parties with their FAX numbers and/or email address.

² The original submission is to be unbound and without tabs on 8½" x 11" white paper, using dark ink (not green) to facilitate use of the Department's docket imaging system. In the alternative, filers are encouraged to use the electronic submission capability available through the dockets/DMS Internet site (http://dms.dot.gov) by following the instructions at the web site.

Further procedures for acting on the applications, if necessary, will be established in the future by Department notice or order.

We will serve this notice on all U.S. certificated air carriers with large aircraft, the Air Transport Association, and the National Air Carrier Association.

By:

PAUL L. GRETCH
Director

Office of International Aviation

(SEAL)

Dated: June 21, 2004

An electronic version of this notice is available on the World Wide Web at http://dms.dot.gov//reports/reports aviation.asp

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